VZCZCXRO1150 OO RUEHDBU DE RUEHDBU #2219/01 3481350 ZNY CCCCC ZZH O P 141350Z DEC 06 FM AMEMBASSY DUSHANBE TO RUEHC/SECSTATE WASHDC IMMEDIATE 9239 INFO RUCNCIS/CIS COLLECTIVE RUEAIIA/CIA WASHINGTON DC RHEFDIA/DIA WASHINGTON DC RHEHAAA/NATIONAL SECURITY COUNCIL WASHINGTON DC RUMICEA/USCENTCOM INTEL CEN MACDILL AFB FL RUEHBUL/AMEMBASSY KABUL PRIORITY 1907 RUEHNE/AMEMBASSY NEW DELHI PRIORITY 1936 RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 1945 RUEKJCS/SECDEF WASHINGTON DC RHMFISS/JOINT STAFF WASHINGTON DC RUEHDBU/AMEMBASSY DUSHANBE 0754

C O N F I D E N T I A L SECTION 01 OF 03 DUSHANBE 002219

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E.O. 12958: DECL: 12/14/2016
TAGS: PGOV PREL PHUM ECON EAID ENRG SNAR KDEM TI AF
SUBJECT: TRADING PLACES: TAJIKISTAN'S NEW CABINET OF OLD HANDS WILL
NOT CHANGE OVERALL DIRECTION

REF: A) DUSHANBE 2171 B) DUSHANBE 2201 C) DUSHANBE 2205 D) DUSHANBE 2209 DUSHANBE 00002219 001.2 OF 003

CLASSIFIED BY: Tracey Ann Jacobson, Ambassador, U.S. Embassy, Dushanbe, State. REASON: 1.4 (b), (d)

- 11. (C) SUMMARY: With a few exceptions, Tajik President Rahmonov's post-election appointments simply shuffled loyalists and favorites into different positions, further concentrating power in the hands of those from his home region of Kulob. Instead of naming new, younger officials or educated technocrats to help guide Tajikistan's economic and social development, Rahmonov continued to reward his relatives and close allies. With the dismissal of the ministers of Emergency Situations, Industry and Labor, Rahmonov removed the last opposition cabinet members designated under the 1997 power sharing agreement that helped end the Tajik Civil War.
- 12. (C) After a presidential election victory November 6, orchestrated in large part to please international audiences, Rahmonov will maintain his chosen course, balancing regional pressures and cooperating with the United States where we have shared priorities or where the U.S. can provide significant financial assistance. Economic and social reforms will continue at the same glacial pace, but no substantive progress on democracy or human rights can be expected. Strong historical and economic connections will keep Rahmonov in Moscow's orbit. Tajikistan is a poor country that cannot afford to act on principle alone. Its foreign and domestic policies may be driven by those players who offer the most help. If the United States wants to remain engaged and relevant during Rahmonov's next term, we will need financial support to back up intensified diplomatic relations. END SUMMARY
- 13. (SBU) This cable concludes a series of four reports on how the November 30 government restructuring and early December cabinet appointments impact U.S. interests in Tajikistan and the region (reftels).

## REGIONALISM RISING

14. (SBU) Some advisors told us before the election that Rahmonov should bring in new specialists to invigorate his

administration, but Rahmonov instead reassigned cabinet positions to trusted relatives and allies, mainly from his home town, Dangara, and his home region, Kulob. Kulobis now dominate the cabinet and Presidential Administration, and control the most powerful ministries-Interior, Defense, Security, and Energy and Industry.

- 15. (C) This regionalism means government decisions may increasingly be made to protect clan interests first, and national interests second. This course could start to exacerbate regional tensions that have been dormant since the civil war; although we have seen no signs of this so far. More concretely it also disadvantages educated specialists from other regions from advancing within the government, further contributing to Tajikistan's diminishing human resources and human capacity. Unfortunately, the poor performance of many presidential favorites from Dangara and Kulob has done nothing to dissuade the small intelligentsia in Dushanbe and Khujand of the Kulobis' reputation as badly educated and incompetent villagers.
- 16. (SBU) In the Kulob club:
- -- Sherali Gulov, Minister of Energy and Industry: Rahmonov's son-in-law's father.
- -- Hairriddin Abdurahimov, Chairman, Committee on National Security, Rahmonov's nephew.
- -- Davlatali Saidov, Chairman, Committee on Youth, Sport and Tourism, Rahmonov's nephew.
- -- Matlubhon Davlatov, State Economic Advisor to President, Rahmonov's cousin and neighbor.
- -- Sherali Khairulloev, Minister of Defense, Rahmonov's distant relative, from Dangara.

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- -- Mamadnazar Solehov, Minister of Interior, from Dangara.
- -- Amirsho Miraliev, Chief, Presidential Administration, Rahmonov's Dangara classmate
- -- Asadullo Ghulomov, Deputy Prime Minister, longtime Rahmonov family friend, from Vose, next to Kulob
- -- Safarali Najmuddinov, Minister of Finance, from Dangara
- -- Hasan Sadulloev, Chairman, Orien Bank and Ismoili Somoni holding company, arguably Tajikistan's most powerful business man, and Rahmonov's brother-in-law
- -- Sharifhon Samiev, Head of Barqi Tojik state electricity utility, Rahmonov's neighbor from Dangara (also rumored to be the husband of Rahmonov's driver's sister.)

THE NET RESULT

- 17. (C) Rahmonov's new administration -- old wine in new bottles
  -- will likely have the following effects in the short- and
  medium-term:
- --Tajikistan will continue to look to Moscow first: Rahmonov's loyal advisors trust Russia, or at least understand how Moscow operates and thinks. Russia remains Tajikistan's top trading partner and foreign investor. Russian advisors exerted a strong influence on Abdurahimov as Minister of Security. President Rahmonov will not try to distance himself from a country where up to one million Tajiks work each year, supplying up to one-half of Tajikistan's \$3 billion GDP.
- --Tajikistan's human capacity will continue to decline. The crumbling and corrupt education system results in meaningless degrees and technically incompetent professionals and workers.

Foreign companies and donors trying to open businesses or projects lament the poor quality of the Tajik work force, but the education system is not equipped to produce qualified labor. Exchange programs to the United States, India, China and Europe provide a small number of smart young Tajiks with their only opportunity for quality education.

- -- Border security, counterterrorism and counternarcotics cooperation will remain on track as long as donor money flows. Tajikistan shares international concerns about drugs and terrorists, but needs help developing institutional and operational capacity to effectively monitor its border and train and equip its armed forces. These security concerns may outweigh Abdurahimov's distrust of the United States, but may also cause Tajikistan to look for additional partners in border activities. Our goal of dismantling and prosecuting drug trafficking and organized crime syndicates may find less support from this cabinet. It is suspected, although difficult to prove, that many Kulobis have ties to drug trafficking. With clan loyalty rewarded by Rahmonov himself, it is unlikely anyone will have the authority to go after the top traffickers.
- -- No real free speech, no real free media, no real political opposition. After the November 6 presidential election, international attention will be much less focused on the state of democracy in Tajikistan and we expect Rahmonov will feel little pressure to continue democratic reforms or allow opposition political parties to organize or express themselves. The government is poised to pass strict laws on associations (modeled on the Russian NGO law) and religion, and may make it harder for certain U.S.-funded NGOs to register. The already timid Tajik press will probably not provoke Rahmonov or his administration by criticizing his actions or policies.
- -- Infrastructure investment will buy influence. Examples abound: China's \$639 million low interest loans for transmission lines, roads and a tunnel; Russia's support for hydropower stations at Sangtuda-I and Roghun; Iran's construction of the Anzob Tunnel and Sangtuda-II; our \$37 million bridge at Nizhniy Pyanj, and even India's modest \$12 million rehabilitation of the Varzob hydropower station all give certain countries a louder voice that commands the Tajik government's attention. Assistance for economic and social reform, health, and education are not as alluring as mega-projects; hence the EU and European countries' relatively limited influence despite average annual assistance of \$50 million over the past few years.

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-- Regional economic integration will focus on northern routes to Kazakhstan and Russia, at least for the short term. Electricity trade aside, the Tajiks have not developed the road network or products to trade with South Asia when the bridge opens at Nizhniy Pyanj in 2007 connecting Tajikistan and Afghanistan. A lack of English language capacity among Tajik officials also means they cannot easily communicate with their South Asian neighbors. Russian language skills are also declining among the younger post-Soviet generation of Tajiks, ensuring the majority of the migrant workers in Russia will be stuck with menial jobs.

## NEXT STEPS FOR THE UNITED STATES

- 18. (C) Our common fight against terror and narcotics should continue as planned, but we must consider how to engage a government that does not always understand or agree with our goals of democracy and economic reform. The following steps are not new ideas but initiatives we know will have traction with a government entrenched in its ways.
- -- Increased visits and diplomatic engagement: Visits from high-level U.S. officials get a lot of mileage. Some of most irksome bilateral issues NGO registration, anti-corruption and investment climate issues get the most attention when raised by a visitor. In a place where personal relationships matter, we can engage more often at a higher level.

- -- Joint programs with Afghanistan: To encourage Tajikistan to think more about trading south, we need to provide opportunities for Tajikistan and Afghanistan to develop together. Energy, security, water, health, education, agriculture, customs reform, trade, and tourism are all sectors where Tajikistan and Afghanistan can work together. We will provide a list of project ideas septel.
- -- Increased exchanges: High school, university, graduate and professional exchanges all help open the minds of Tajiks who otherwise have almost no exposure to Western media or ways of thinking.
- -- Peace Corps: No institution is better tailored to provide technical assistance and public diplomacy than Peace Corps. The volunteer model is ideally suited to Tajikistan, where our best access remains at the community level, where personal relationships mean everything, and where the extremely young population has no alternate access to outside ideas short of migrating to Russia. Given the paucity of English language instruction and the need for small business development in Tajikistan, and the U.S. policy goal of training more Americans as Persian (Farsi, Dari, Tajiki) speakers, it is time to start a program in Tajikistan.JACOBSON